STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: December 10, 2008 AT (OFFICE): NHPUC

FROM: David Goyette, Utility Analyst III - Telecommunications

SUBJECT: DT 08-157 Fairpoint Communications - NNE Special Contract with Northeast Utilities Service Company for DS-1 Service

TO: Debra Howland, Executive Director Kate Bailey, Director - Telecommunications

On December 5, 2008, Northern New England Telephone Operations LLC d/b/a Fairpoint Communications - NNE (Fairpoint) filed a special contract with Northeast Utilities Service Company (Northeast Utilities). Under the contract, Fairpoint will provide DS-1 service between Northeast Utilities' remote locations and its Manchester, NH headquarters for a period of 36 months. In support of the filing, Fairpoint submitted records and information, including contract terms and conditions, which are subject to confidential treatment pursuant to RSA 378:43.

Staff has reviewed the cost study data submitted by Fairpoint and confirmed that the contract rates exceed the price floor requirements as defined in Order Nos. 23,357 and 23,493 (Docket No. DT 99-018). Based on its analysis, Staff recommends that the special contract be allowed to go into effect pursuant to RSA 378:18-b, II(a).